

**MINUTES  
FOR THE REGULAR MEETING  
CALIFORNIA UNEMPLOYMENT INSURANCE APPEALS BOARD  
Docket No. 5488**

**1. Opening of Meeting:**

The Appeals Board convened at 10:30 p.m., November 13, 2007 in Sacramento, with Chair Rick Rice presiding.

## 2. Roll Call: Members

## Present

**Absent**

**Rick Rice, Chair**

**X**

**Fred Aguiar, Vice Chair**

X

**Ann Richardson**

**X**

**Terri Carbaugh**

**x**

**Liz Figueroa**

**X**

**Cindy Montañez**

**X**

## Stephen Egan

**x**

### 3. Approval of the Minutes:

The minutes of the October 9, 2007 Board meeting were approved by all members.

#### 4. Chair's Report:

Chair Rice reported he attended the Agency-wide meeting which discussed the state budget. He stated that the administration is calling for a 10% cut across the board in General Fund programs, and asked what percent of the CUIAB is federally funded.

Executive Director/Chief Administrative Law Judge Jay Arcellana responded that the CUIAB is 89% federally funded, approximately 9% special funded (DI), with the remainder General Fund.

## 5. Board Member Reports:

Member Figueroa reported on her visit to the San Jose Office of Appeals. They attended a delightful Thanksgiving celebration. She encouraged the other Board Members to visit the field offices.

**6. Chief Administrative Law Judge/Executive Director's Report:**

Executive Director/Chief Administrative Law Judge Jay Arcellana reported the following items:

- The new Fresno Office of Appeals was opened and Board Members Egan and Figueroa and Jehan Flagg attended.

- There will be several new judge hires, two each in San Diego and Oxnard, and one each in Fresno, Los Angeles and San Francisco.
- The quarterly Presiding ALJs meeting is scheduled for December 4<sup>th</sup> and 5<sup>th</sup> in Sacramento. The meeting will discuss workload, the DUA cases and some operational issues such as information security and training.
- Other states ALJ caseload: In Wyoming the average caseload is between 20 and 25 cases a week; in Florida the average is around 40 cases per week; in Illinois the average is 35, but ruling cases are split out. In California the average is approximately 28 cases a week, but with mass calendars the average is 35 cases per week.

## **7. Branch Reports:**

a. Executive Director/Chief Administrative Law Judge Jay Arcellana presented the 2006-07 Fiscal Year End Operational Branch Budget Report via PowerPoint. (Attachment A)

Member Aguiar inquired as to how much of the \$2.4 million surplus goes back to EDD, to which Executive Director Arcellana advised that the entire surplus goes back to EDD. Member Figueroa asked how many years the CUIAB has had a surplus, to which Executive Director Arcellana advised at least 10 years.

Executive Director Arcellana then presented the October 2007 Workload Report via PowerPoint presentation. (Attachment B)

Member Aguiar asked if the caseload at the Board is expected to increase, given the increasing caseload in the field. Executive Director Arcellana replied that the caseload will indeed trend up, but there is about a 45 day lag before the increase gets to Appellate Operations and the Board Members.

Member Aguiar inquired about the rate of appeal. Executive Director Arcellana replied that appeal rate from the field is approximately 6 to 7% over time. Decreases in that rate can mean that parties are not appealing as much because they are satisfied with the field decision. Time studies have shown that when parties get a decision quickly they are generally satisfied with what happens at the field level. He stated he would present more information on this topic at the next board meeting.

Member Richardson questioned if the DUA cases will be handled in a manner similar to the citrus freeze cases last year. Executive Director Arcellana said no, in that they plan to have just one or two ALJs with expertise in DUA cases hear all such cases. Member Richardson clarified that the Board would not see the appeals from the DUA cases since they go directly to DOL.

Executive Director Arcellana then made a PowerPoint presentation regarding the Impact of the Southern California Wildfires Report. (Attachment C)

Member Richardson asked if the Agency will be hearing those cases on an expedited basis, to which Executive Director Arcellana responded in the affirmative.

Member Carbaugh inquired if the Agency is going to see a spike around the holidays when many employees are expected to be taking vacation, and asked how the offices will balance the workload. Executive Director Arcellana replied that the Agency will be doing several mass calendars and redirect workload.

b. Jehan Flagg, Special Assistant, Communications and Internal Affairs introduced Paul Feist, Assistant Communications Secretary at LWDA, who was a guest in the audience.

Ms. Flagg reported that when the wildfires first broke out she received a lot of information from the Governor's Office, which she shared with Executive Director Arcellana to assist in preparing our agency to properly respond to the situation. That information was shared with strategic office staff in Southern California. Communication with EDD was also initiated to coordinate efforts to anticipate how the fires would affect caseload.

Ms. Flagg reported that the new CUIAB website was implemented. Ms. Flagg recognized Nakesha Robinson for her outstanding work on the website, which currently informs CUIAB's clients on what to expect as a result of the fires and what steps to take. One of the significant changes to the website was to provide additional resource links to other state agencies.

Ms. Flagg further reported that CUIAB has had some confidential information breaches over the last several months, and they are currently working very hard to eliminate the causes for those breaches. A new policy is expected to be released this week to address this issue, and in addition she is recommending that CUIAB conduct training and education sessions on the new policy.

Ms. Flagg reported Public Records Act workshops are currently being conducted for staff, and will continue through the middle of December. The evaluation forms received after each session indicate the workshops are well received and have provided really valuable feedback. A workshop will also be conducted for the PALJs in conjunction with the December 4<sup>th</sup> and 5<sup>th</sup> Quarterly Meeting being held in Sacramento. Chief Counsel Ralph Hilton will be involved in the workshop for the PALJs, and Ms. Flagg has asked Deputy Attorney General Ted Prim, who specializes in this particular subject, to attend the workshop for the PALJs.

Ms. Flagg reported that work is continuing on the Communications Policy. A draft should be completed by the December board meeting. Chair Rice and Member Carbaugh are working with her on the Policy so that it is reflective of the organization and the people who work for it.

Ms. Flagg reported that a policy regarding ALJ complaints is also being developed for implementation.

c. Deputy Chief ALJ, Appellate Operations Steve Angelides reported that after a two month jump in registrations in July and August, registrations returned to normal in September and October, when AO registered 1,251 cases, 99% of the calendar year average. However, due to the jump in registrations in July and August the balance of open cases had risen to 2,302, or 122% of the calendar year average, by the end of September. In October AO disposed of 1,752 cases, which is 500 more cases than were registered. As a result, the balance at the end of October was 1,799 cases, 96% of the calendar year average. The average UI case age dropped significantly, from 43 days in September to 37 days in October.

Deputy Chief ALJ Angelides reported that the Decision Tools project is currently in the pilot phase. Later this week IT will be deploying an automatic updater which will run when the user logs on to make sure the Decision Tools are always up to date. The project should be ready for deployment by the end of the year.

c. Deputy Director, Administrative Services Branch, Pam Boston reported the following items:

- CUIAB is conducting a Vaccine Clinic on November 28<sup>th</sup> from 1:30 p.m. to 2:30 p.m. in the second floor lunch room. Individuals will be able to get their annual flu shots, pneumonia vaccine or tetanus shots.
- The California State Employees Charitable Campaign (United Way) will be held this month, and training for the team leaders will be held today with Kim Langan as the coordinator.
- The Department of General Services, CUIAB and the lessor for the Venture Oaks building have agreed to a lease extension to June 2015. CUIAB will receive over \$1 million in tenant improvements and the rent will be decreased by approximately \$200 a month.
- On Thursday, October 25<sup>th</sup>, CUIAB had a practice Emergency Evacuation Drill. The drill was announced at 10:25 a.m. with all floors cleared by 10:30 a.m. By 10:39 a.m. employees were cleared to reenter the building. This was a voluntary drill and there will be a mandatory drill in the future. After the drill the Emergency Response Team met with the CHP to evaluate the process.
- Deputy Director Boston introduced Pat Houston, Business Services Manager, who announced an Award received by CUIAB. Pat Houston

stated that the Award was in recognition of meeting the participation goal for Small Businesses. That goal requires 3% participation by DVBE. In fiscal year 04/05 CUIAB failed to meet that goal, and a plan was developed to correct the deficiency. That plan was successful, for in fiscal year 05/06 we achieved 4.24% and in 06/07 we achieved 20.80%. In October the Department of General Services gave CUIAB the 2007 State Agency Recognition Award for Most Improved DVBE Participation for a Medium Department at the 8<sup>th</sup> Annual State Agency Recognition Award (SARA) ceremonies. Pat Houston recognized Naomi DeLeon-Diaz; Madonna Harden; Maria Guzman-Yee; Jeanie Beckman and Rose Short from the Procurement Unit; Grace Brommerich and LeighAnn Davis from the Contracts Unit for their outstanding work in helping CUIAB in achieving this Award.

d. Deputy Director, Planning and Program Management Branch Mary Walton-Simons reported on the following items:

As mentioned by Jehan Flagg, Public Records Act training is now being conducted for employees and their supervisors who are in public contact positions. The PRA trainers are Jehan Flagg, Ralyne Long, and herself. Last week training was given to staff in the Venture Oaks building, to include staff from the Sacramento Office of Appeals, Appellate Operations, Executive, FO/HQ, Office of Tax Petitions, and PPM, approximately 60 employees. Staff in the San Diego, Inland, and Orange County offices will also receive training this week. At the conclusion of this training, approximately 215 employees will have received this training.

Starting Thursday, November 1, the P&PM and RSU bilingual staff will be providing Spanish telephonic interpreter assistance to Appellate Operations until they are able to hire Spanish speaking staff. This assistance will be provided via a three-way call.

Deputy Director Walton-Simons then made a PowerPoint presentation on the Upward Mobility Program. (Attachment D)

Chair Rice inquired into the new testing for the Staff Service Analyst position.

Deputy Director Walton-Simons responded that the new testing for SSA has caused some confusion for the candidates currently participating in the Upward Mobility Plan. Employees who seek to transfer into the analyst classification must now take a transfer examination, which is a 3-hour pass-fail test. Deputy Director Boston stated that they are working on getting a study guide to give to the employees who will be taking the transfer exam. Deputy Director Walton-Simons noted that the other classifications; BSA and AISA and PSS do not require transfer exams.

## **8. Chief Counsel's Report:**

Chief Counsel Ralph Hilton reported that the Board currently has 160 court cases

in litigation. Seven new cases were filed in October, all routine writ of mandate cases filed by claimants. Five court cases were closed, all of which affirmed the Board's decision.

Chief Counsel Hilton reported that there is one non-benefit civil litigation case that will be going to trial in December, an action by an ex-employee of CUIAB.

**9. Unfinished & New Business:**

There was no unfinished or new business.

**10. Public Comment:**

Ken Swanson from Red Bluff addressed the board to express his concerns over issues he encountered in connection with claims for unemployment compensation benefits. Those issues involved both EDD and CUIAB. Mr. Swanson does not currently have any cases pending before the CUIAB. Mr. Swanson explained his understanding of the claims and appeals process, his confusion about some of that process, and that he felt very hurt with the decision of the judge finding that he lied and cheated. He has worked for over 40 years in responsible positions, some with top secret clearances, another with responsibility for a \$500 million budget, and he received the fourth highest award for the civilians for the Federal government. He stated the he is extremely offended by a decision by a judge who doesn't really know him. He stated that he had never before in his life applied for unemployment until two years ago. He stated that he appreciates the Board allowing him to come and express his opinions even though part of the problem is not the CUIAB but EDD. He stated that CUIAB has ruined his life, that the judge has ruined his life with the finding he made. He is extremely mad. It takes months to hear from CUIAB but EDD wants their money now. CUIAB has a surplus so back off a little. He presented a copy of his summary to the board.

Chair Rice indicated the board would look into this case and respond to Mr. Swanson.

Member Carbaugh thanked Mr. Swanson for coming before the board, recognizing that it is not an easy thing to do.

**11. Closed Session:**

The Board went into closed session. Subsequently the Board came back into public session to report that it had voted to request an audit by the Bureau of State Audits of the CUIC 406(b) review process. The Board then adjourned.

# 2006-07 Fiscal Year End Operational Branch's Budget Report

---

November 13, 2007  
Board Meeting

# Earnings

---

	Field	Appellate
<b>Dispositions</b>	253,373	14,574
Total	267,947	

<b>Dollars Earned</b>	\$41,126,260	\$2,350,756
Total	\$43,477,016	

<b>Percent %</b>	95%	5%
------------------	-----	----

# Budget: Excess Earnings

---

## Field

**Earnings**

\$41,126,260

**Expenditures**

\$30,591,768

**Excess earnings**

\$10,534,492

# Field Excess Earnings

---

## \$10,534,492

▪ Appellate Deficit	\$2,686,621
▪ Admin, IT, P&PM Salaries/Wages	\$4,346,717
▪ OE&E augmentation	\$3,300,000
▪ Surplus	\$201,154
▪ <b>Total</b>	<b>\$10,534,492</b>

# Expenditures: Salaries

---

	Field	Appellate
Salaries/Wages	\$30,591,768	\$5,037,377
Total	\$35,629,145	

Salaries/Wages %	86%	14%
------------------	-----	-----

# Expenditures: OE&E

■ Base allocation	\$ 11.8 million
(straight pass through)	
■ Supplemental surplus earnings	\$ 3.3 million
(policy decision to augment OE&E)	
■ Total	\$ 15.1 million

# OE&E Expenditures

■ *Facilities/Leases	\$8,307,179	55 %
■ *Furniture/Equip./Telecom.	\$3,151,692	21 %
■ Interpreter Services	\$1,199,975	8 %
■ SWCAP/AG/CHP/Services	\$ 863,825	6 %
■ *Travel	\$ 788,885	5 %
■ Supplies/Postage	\$ 655,401	4 %
■ *Training/Subscriptions/Memberships	\$ 159,598	1 %

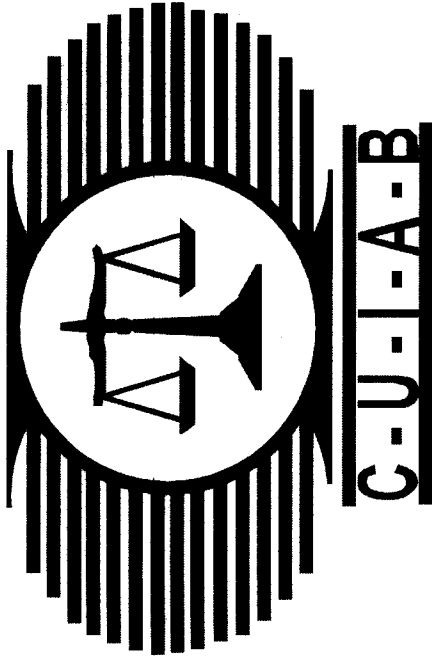
■ **TOTAL** **\$15,126,555**

# CUIAB Surplus

---

- 2006-07 Budget Allocation      \$73.2 million  
and Excess Earnings
- Expenditures      \$70.8 million  
(includes Salaries, Benefits, & OE&E)
- Surplus      \$ 2.4 million

Surplus is Good!



# **OCTOBER 2007 WORKLOAD REPORT**

## ***Field Operations***

**FIELD OPERATIONS  
WORKLOAD REPORT FOR OCTOBER 2007**

<b>PROGRAMS</b>	<b>VERIFICATIONS</b>	<b>DISPOSITIONS</b>	<b>BALANCE</b>
<b>UI</b>	24,172	23,147	37,554
<b>DI</b>	1,504	1,661	2,325
<b>TAX</b>	140	107	2,353
<b>SUBTOTAL</b>	<b>25,816</b>	<b>24,915</b>	<b>42,232</b>
(All Programs) <b>TOTAL</b>	<b>25,955</b>	<b>25,089</b>	<b>45,132</b>

**FIELD OPERATIONS  
QUARTERLY WORKLOAD REPORT  
AUGUST – OCTOBER 2007**

PROGRAMS	VERIFICATIONS	DISPOSITIONS
UI	67,753	62,744
DI	5,105	4,965
TAX	450	488
<b>SUBTOTAL</b>	73,308	68,197
(All Programs) <b>TOTAL</b>	73,965	68,824

# Points of Interest

## ➤ **Verifications:**

- Verifications in October increased by 16% from September 2007. This was the highest month of verifications since April 2004.

## ➤ **Dispositions:**

- The Field disposed of 25,089 cases in October 2007, a 23% increase from September of 20,467.

# Points of Interest

## ➤ **Balance:**

- At the end of October, the open balance of cases in the Field was 45,132.
- The open balance as of October 2007 is the highest since September 2004.

# Points of Interest

## ➤ **Average Case Age**

- The Average Case Age for UI is 37 days, two days younger than September.
  - ◆ The Average Case Age is the average age of all open UI cases as of the last day of the month.

## ➤ **Lowest Workload**

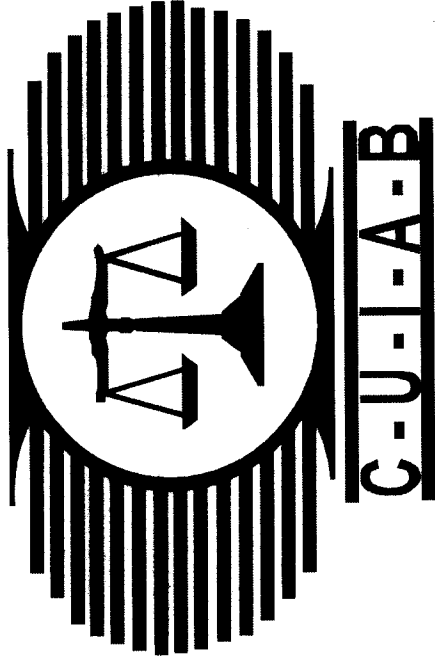
- The San Francisco, Pasadena, San Diego, and San Jose Offices have the lowest workload in the state.

## ➤ **Highest Workload**

- The Inglewood, Oxnard, Inland and San Diego Offices have the highest workload in the state.

## ➤ **As of November 7, 2007, there were 1,030 untyped decisions on the HUB.**

- This number is high as we generally have around 900 untyped decisions.



Everything is looking up, unfortunately, so is the workload. Staffing levels need to trend up but the dollar does not go as far as it used to. We will need to be creative to make ends meet.

And we will!

# Impact of Southern California Wildfires

---

# Impact to Field Operations

## October 22 – 26, 2007

---

	<u>Inland</u>	<u>San Diego</u>
■ Staff ATO hours	43	46
■ ALJ ATO hours	7.5	80
■ Calendars cancelled	0	1.5
■ Cases reset	14	87
■ Non-appearances	91	155

# Disaster Unemployment Assistance Program (DUA)

- Seven designated counties were determined to be disaster areas.
  - Los Angeles
  - Orange
  - Riverside
  - San Bernardino
  - San Diego
  - Santa Barbara
  - Ventura

# DUA continued

---

- The DUA program provides the following:
  - Waiting periods are waived.
  - Claims are payable for 26 weeks.
  - Minimum weekly benefit amount is \$147; Maximum weekly benefit amount is \$450.
  - The disaster assistance period is October 28, 2007 - April 26, 2008.
  - The deadline to file a timely claim is November 26, 2007.

# EDD Policy Decisions

---

- Allow backdating the effective date of claims up to three weeks.
- Exempt claimants from attending the initial assistance workshops.
- Exempt CTB claimants from having their claim forms signed by the training providers.

# EDD Policy Decisions

---

- Reorder priorities and redirect staff to claim processing and payment activities.
- Determinations and appeals processing will be resumed when resources are available.
- A large increase in the filing of UI claims is expected due to the thousands of individuals who are dislocated from their homes and/or jobs as a result of the fires.

# CUIAB Workload Impact

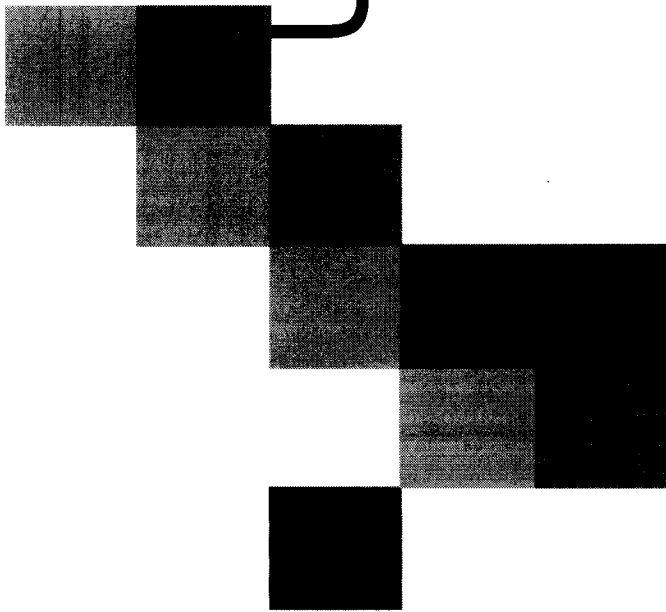
---

- Increase of workload
  - DUA appeals
  - UI appeals for dislocated workers and businesses
  - Requests for reopening due to non-appearances
- Appeal transmittals from the department have decreased 50% per day due to redirection of resources.
- Adverse affect to our case aging numbers.
- Delayed hearings for parties during the holiday season.
- Appeal transmittals are expected to spike in the beginning of the year.

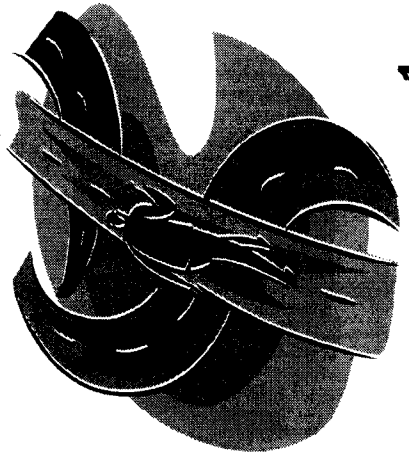
# CUIAB's Charge

---

- Reconsider short term planning objectives
  - Gear up for anticipated workload crush in December/January.
  - Escalate timetables for new ALJ hires.
  - Redirect workload from Southern California to Northern California to avoid pockets of backlogs.
  - Centralize DUA activities into a central site.

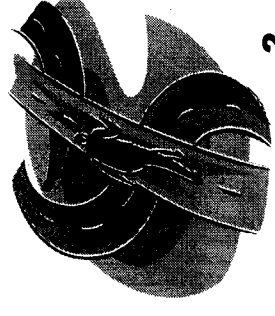


# UPWARD MOBILITY UPDATE 2007



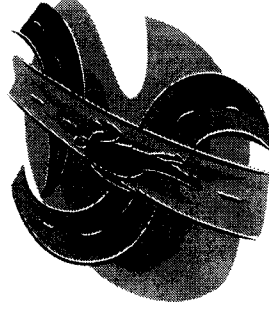
# CUIAB's Upward Mobility History

- In October 2004, the CUIAB released its official Upward Mobility Program.
- In 2005, the Upward Mobility Program criteria, processes, and forms were developed to:
  - determine eligibility
  - measure motivation
  - and track progress in the program.



# Upward Mobility Review Team

- Key personnel were brought together to ensure that upward mobility opportunities and activities were conducted fairly using a method and criteria consistent with all applicable federal, state and civil service laws and regulations.
- Members of the Review Team include:
  - ☐ Training Officer
  - ☐ Labor Relations Officer
  - ☐ Budget Officer
  - ☐ Personnel Officer
  - ☐ Classification and Pay Officer
  - ☐ Upward Mobility Coordinators





# Upward Mobility Benefits



- Step by step assistance from coordinators
- Employee release time up to 50% to attend classes or training if operationally feasible
- Monetary reimbursement up to 50% for tuition, books and supplies
- Assistance to candidates to become exam or test eligible
- Increased career opportunities

# Active Candidates by Office

- Currently our coordinators are monitoring and assisting 19 active Upward Mobility candidates.

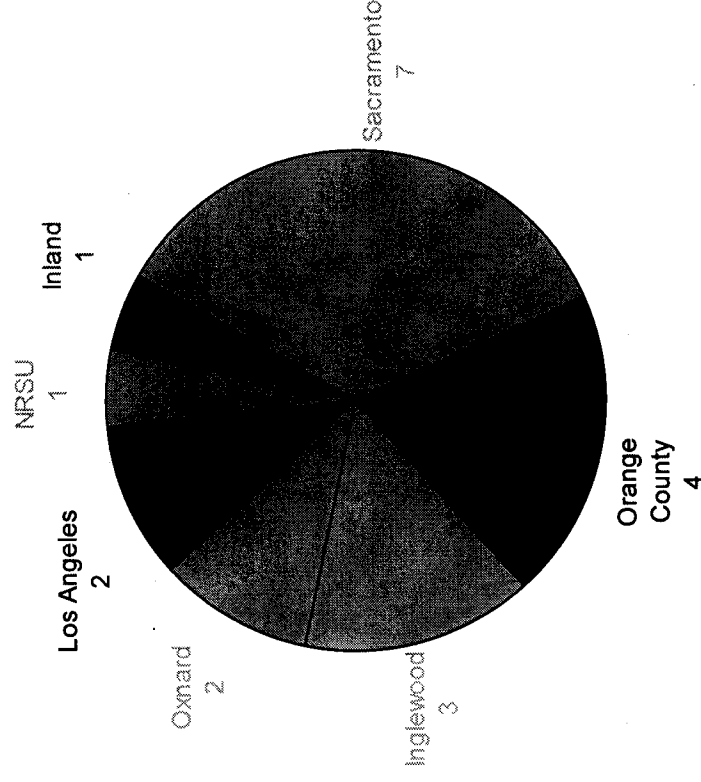
- **Alfredo Garcia, Northern Coordinator covers:**

- Appellate Operations, Fresno, Oakland, Regional Support Unit-Bay Area, Sacramento, San Francisco, San Jose, Venture Oaks Building

- **Anissa Michell, Southern Coordinator covers:**

- Inglewood, Inland, Los Angeles, Orange County, Oxnard, Pasadena, Regional Support Unit-So.CA, San Diego

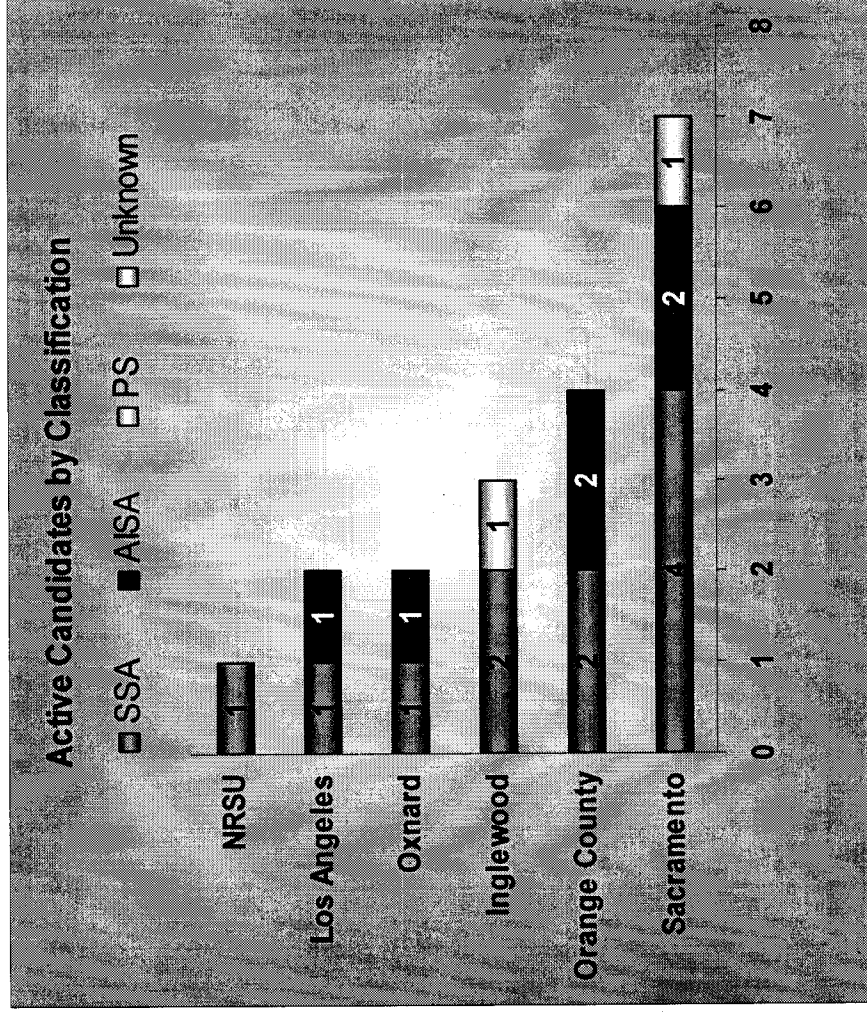
Active Upward Mobility Candidates by Office



# Active Candidates by Classification

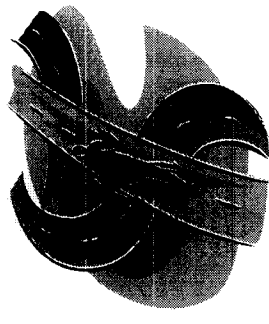
- CUIAB' Upward Mobility program offers five professional, technical, or administrative entry level classifications.

- Staff Services Analyst (SSA)
- Assistant Information Systems Analyst (AISA)
- Personnel Specialist (PS)
- Business Service Assistant (BSA)
- Information Systems Technician (IST)





# Upward Mobility Success



- We are proud to recognize the following CUIAB employees who are now working in their desired career path after applying into the Upward Mobility Program:

- ☐ Margarita Posedel.....Assistant Info. Systems Analyst
- ☐ Alfredo Garcia.....Staff Services Analyst
- ☐ Sarah Bacla.....Business Services Assistant
- ☐ Aldo Garcia.....Assist Info. Systems Analyst
- ☐ Valerie Graziano.....Staff Services Analyst
- ☐ Ana Ibarra.....Staff Services Analyst

